

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2498

ANSWERED ON:16.03.2017

Upgradation of Air Tickets

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Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the criterion/norms being followed by the Air India in upgradation of air tickets of their passengers;
- (b) the number of tickets upgraded and revenue generated therefrom by Air India across the country during each of the last three years;
- (c) whether the Government has received complaints for violation of the said criterion/norms during the said period;
- (d) if so, the details thereof, State/UT wise and the reasons therefor along with the present status of such complaints;
- (e) whether the VIPs are given priority by Air India in such upgradations of tickets and if so, the details thereof and if not, the reasons therefor; and
- (f) the other steps taken/being taken by the Government to increase revenue and profitability of Air India along with achievements thereof?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a): Up-grades are carried out by Air India on the following grounds:

i. On payment of the prescribed amount by the passengers

ii. Up-grades done by Air India during overbooked flights

iii. Up-grades done on other commercial considerations These up-grades are done subject to availability of higher class seats, non-presence of revenue paying passengers and payment of the prescribed amount by the passenger where ever applicable. There is no revenue loss to Air India on account of such upgrades.

(b): On account of paid airport upgrades "Get Upfront Offer" on domestic and international sectors the following incremental revenue has been generated :

-Revenue (Nov"14-Mar"15): INR 204,965,169 (Passenger Count: 9698)

-Revenue (Apr"15-Mar"16) : INR 440,440,254 (Passenger Count: 21074)

-Revenue (Apr"16-Feb"17) : INR 763,914,257 (Passenger Count: 35731);

(c): No, Madam.;

(d): Does not arise in view of (c) above.;

(e): The upgrades are done subject to availability of seats in the higher class. The upgrade at the airport is subject to availability of First Class and Business class seats and on First Come First Served Basis with physical presence of the passenger at the check-in counter.;

(f): Government had approved a Turnaround Plan (TAP) / Financial Restructuring Plan (FRP) for operational and financial turnaround of Air India. The TAP/FRP provides equity infusion of Rs.30231 crores upto 2021 subject to achievement of certain milestones as laid down in the TAP/FRP. The Company has made substantial progress in both Operational as well as Financial Areas as per TAP milestones. As a part of the Turnaround Strategy for Air India Ltd., the company with the overall support of the Govt. has initiated a number of steps in order to cut costs and losses.